

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1005 be amended to read as follows:

- 1 Page 6, delete lines 3 through 42 and begin a new paragraph and
2 insert:
3 "SECTION 8. [EFFECTIVE UPON PASSAGE] (a) The
4 commission on tax policy in the new economy is established.
5 (b) The commission shall function as an advisory body to the
6 general assembly. In that capacity, the commission shall complete
7 a comprehensive review and analysis of Indiana's state and local
8 tax structure. The commission shall evaluate the tax system using
9 the following criteria and address these questions:
10 (1) Growth performance and elasticity: Is our tax system
11 designed to grow along with the economy of this state?
12 (2) Reliability and volatility: Are the revenues raised
13 relatively stable over time or are they excessively volatile
14 and difficult to predict?
15 (3) Distributional effects and fairness: How are the taxes
16 distributed over various types of taxpayers? Does the system
17 treat similarly situated individuals similarly? Does the
18 system account for individuals' different capacities to bear
19 the burden of taxation?
20 (4) Transparency and administrative simplicity: Are the taxes
21 easy and economical to collect and administer? To what
22 extent does the system result in taxpayers being accountable
23 for paying their taxes and tax agencies accountable for

1 enforcing the laws?

2 (5) Federal interaction: To what extent are state and local
3 taxes deductible for federal purposes?

4 (6) Economic climate: What effects do the taxes have on our
5 business climate and overall economic activity? To what
6 extent does the system promote economic growth?

7 (7) Provision of adequate revenues: Does the tax system
8 result in sufficient, stable, and certainty of revenues?

9 (c) The commission consists of the following members:

10 (1) Three (3) individuals appointed by the speaker of the
11 house of representatives as follows:

12 (A) One (1) member who is a professor in the School of
13 Public and Environmental Affairs at Indiana University.

14 (B) One (1) member who is a professor of agricultural
15 economics at Purdue University.

16 (C) One (1) member who holds a graduate degree in
17 economics and is employed in the private sector.

18 (2) An individual who is a former deputy state budget
19 director and is appointed by the minority leader of the house
20 of representatives.

21 (3) Three (3) individuals appointed by the president pro
22 tempore of the senate as follows:

23 (A) One (1) member who is a professor of business
24 economics at Indiana University.

25 (B) One (1) member who is a professor of economics at
26 Ball State University.

27 (C) One (1) member who is a professor of agricultural
28 economics at Purdue University.

29 (4) An individual who holds a graduate degree in economics
30 and is employed in the private sector and is appointed by the
31 minority leader of the senate.

32 (5) An individual who holds a graduate degree in economics
33 and is appointed by the governor.

34 (d) Except as provided in this SECTION, the commission shall
35 operate under the legislative council's rules governing study
36 committees.

37 (e) Members of the commission serve at the pleasure of the
38 person who appointed them.

39 (f) The chairman of the commission shall be appointed by the
40 governor.

41 (g) Commission members are entitled to the same per diem
42 and travel allowance as authorized by the legislative council for
43 legislative study committees.

1 **(h) The commission shall meet as often as is necessary to**
2 **properly perform its duties.**

3 **(i) The commission shall issue a final report by November 1,**
4 **2004.**

5 **(j) The legislative services agency shall provide such legislative**
6 **drafting, clerical, fiscal research, and administrative personnel**
7 **and other assistance as is necessary to enable the commission to**
8 **properly perform its duties.**

9 **(k) Subject to the authorization of the legislative council, the**
10 **expenses incurred by the commission in performing its duties**
11 **shall be paid from the funds appropriated to the legislative**
12 **council.**

13 **(l) This SECTION expires January 1, 2005."**

14 Page 7, delete lines 1 through 9.

(Reference is to HB 1005 as printed January 13, 2004.)

Representative Pierce